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## **NAVAJO COUNTY BOARD OF SUPERVISORS**

Governmental Complex - NC #18  
P.O. Box 668 - 100 E. Carter Drive  
Holbrook, AZ 86025  
PHONE (520) 524-4053 FAX (520) 524-4239

EDWARD J. KOURY  
County Manager

JUDY JONES  
Clerk of the Board

### **RESOLUTION NO. 54-96**

#### **RESOLUTION OF THE NAVAJO COUNTY BOARD OF SUPERVISORS ADDRESSING CONCERNS THAT THE BUDGET PLAN FOR FISCAL YEAR (FY) 1997-2002 PASSED BY THE U.S. HOUSE OF REPRESENTATIVES ON JUNE 13, 1996, WOULD DRASTICALLY REDUCE FEDERALLY FUNDED PROGRAMS FOR NAVAJO COUNTY CITIZENS**

**WHEREAS**, under current budget laws Federal Grant Awards distributed to entities in Navajo County amount to \$694,610,000 to the year 2002, according to figures from the Fiscal Planning Services Inc.

**WHEREAS**, under the current Congress's proposed Budget Reconciliation, Federal Grant Awards distributed to entities in Navajo County would be reduced to \$631,398,000 to the year 2002, a cut of more than 63.2 million.

**WHEREAS**, federal grants to entities in Navajo County for Medicaid would be reduced by \$33,370,000 to the year 2002; and,

**WHEREAS**, federal grants to entities in Navajo County for Educational Impact Aid would be reduced by \$23,855,000 to the year 2002; and,

**WHEREAS** federal grants to entities in Navajo County for Head Start would be reduced by \$858,000 to the year 2002; and,

**WHEREAS**, federal Title I grants to Local Educational Agencies in Navajo County would be reduced by \$3,023,000 to the year 2002; and,

**WHEREAS**, federal grants to entities in Navajo County for the National School Lunch Program would be reduced by \$1,948,000 to the year 2002; and,

**WHEREAS**, federal Highway Planning and Construction dollars for entities in Navajo County would be reduced by \$1,199,000 to the year 2002; and,

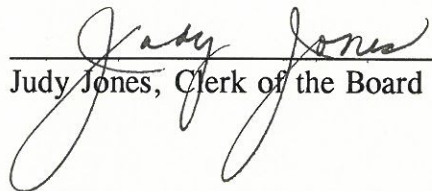
**THEREFORE BE IT RESOLVED**, that the Navajo Count Board of Supervisors request that Congressman Hayworth reconsider his position on the FY 1997-2002 budget reconciliation, and investigate further the negative impact of reducing these funds to Navajo County residents.

**PASSED AND ADOPTED** by the Board of Supervisors, Navajo County the 23<sup>rd</sup> day of Sept., 1996.



\_\_\_\_\_  
Percy Deal, Chairman  
Navajo County Board of Supervisors

**ATTEST:**



\_\_\_\_\_  
Judy Jones, Clerk of the Board

**F A X**



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Date & Time: 9/3/96 1:49:14 PM  
Pages: 2  
Re: Budget Cuts

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Please call me with any questions. This is going to be introduced in Pinal, Coconino, and other counties as well. We're hoping to have this passed in every county in the 6th Congressional District. If your county manager has any questions, please feel free to give my number to them.

Thanks, Lon Johnson (602) 604-0713

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## Arizona

# Cuts in Federal Aid Under the Congressional Budget Resolution A Fiscal Impact Report to the Counties

Prepared by Fiscal Planning Services, Inc. (FPSi) for the  
American Federation of State, County and Municipal Employees  
(AFSCME)

July 29, 1996

AFSCME Contact: Seth Johnson, 202.429.1155  
FPSi Contact: Tom Zembarr, 301.652.FPSi (3774)

On June 13, 1996, Congress approved a budget plan (H Con Res 178) for fiscal years 1997-2002 that would reduce federal spending below current law levels over the next six years.

## Cuts in Federal Aid to Arizona by County

Under the budget plan Congress adopted for fiscal years (FY) 1997 to 2002, state and local governments in Arizona would receive \$2.2 billion less in federal aid than what they would have expected to receive under current law over the next six years. These cuts would increase in each year of the plan, reaching \$677 million (or 14 percent of baseline spending) in FY 2002.

## Why is Spending Under the Budget Resolution Compared to a Current Law Baseline?

A current law baseline represents the federal spending that would result from laws already enacted. A current law baseline provides a "policy-neutral" benchmark against which the budget proposal can be measured to see the magnitude of the proposed changes in spending.

For state and local governments, the current law baseline assumes the federal government would provide aid over the period from FY 1997 to FY 2002 at FY 1995 levels, and adjust those levels each year only to keep pace with changes in purchasing power and the number of people eligible for program benefits.

AFSCME commissioned FPSi to estimate the fiscal impact of the budget plan adopted by Congress on federal aid to state and local governments for FYs 1997 to 2002. Part one of the study, released in mid-July, presents the impact by state, including detailed estimates for more than 170 federal grant programs. Part two shows the impact of the budget plan by county and highlights the county-specific impact of 16 of the largest federal aid programs.

For programs Congress funds annually, such as Head Start and Community Development Block Grants, current law estimates assume future funding will equal the most recently-enacted appropriation,

adjusted for inflation. For so-called entitlement programs, such as Medicaid and A.F.D.C., current law estimates assume the continuation of existing program benefits in the future, with adjustments only for inflation and changes in the number of people eligible for program benefits.

In sum, if Congress provides a real increase in spending, then the funding change will be positive when compared to current law. If Congress reduces real spending for a program, then the funding change will be negative when compared to current law.

## What is a Budget Resolution?

Each year, Congress is required to pass a budget resolution, which is a broad spending plan that guides Congress through the remainder of the year's budget and appropriations process. This budget plan sets overall limits on spending and revenues. Congressional committees must meet these targets when deciding how much revenue to collect and how much to spend on

### Arizona

The top five federal grant programs comprise 54 percent of total federal aid to the State and local governments...



Top Five Programs  
All Other Programs

Cuts in federal aid compared to current law for the top five grant programs...

Top Five Grants	2002	1997-2002
Medicaid	-17%	-10%
Highways	-5%	-4%
AFDC	-15%	-8%
Title I	-16%	-9%
School Lunch	-10%	-7%

## Arizona

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programs. The budget resolution also includes some specific recommendations on how much funding certain programs should receive. Committees are not required to follow these specific recommendations as long as they meet the overall targets.

Budget resolutions are not laws, and do not require the President's approval.

### How FPSi Put the Numbers Together

Using FPSi's estimate of total obligations to state and local governments in FY 1995 as the baseline year (drawn from federal agency data), FPSi estimated a current law baseline for each fiscal year from 1997 to 2002 using Congressional Budget Office (CBO) assumptions as of March, 1996 (the most recent available).

Assumptions adopted by Congress in the FY 1997 budget resolution were compared to the current law baseline. The accompanying tables display the difference between the spending paths to illustrate the magnitude of the funding changes proposed by Congress for the next six years.

The dollar values displayed in the tables represent obligations, which are the specific commitment of government funds the federal agencies make to state and local governments.

FY 1995 county data was drawn from the U.S. Bureau of the Census, and in some cases, adjusted to conform to FPSi's state data. FY 1995 state data was drawn from federal agencies. All estimates of dollar loss by state and by county in fiscal years 1997 to 2002 were derived by FPSi.

### How to Use the County Tables

The "budget change" represents the dollar difference between funding as recommended in the budget resolution and current law for each fiscal year between 1997 and 2002.

If the dollar value is negative, it represents a reduction, or cut, from current funding levels. If the dollar value is positive, it represents an addition, or increase, from current funding levels.

### Special Notes About the County Tables

#### *Selected Programs*

The set of 16 "Selected Programs" presented in the county tables comprise at least 70 percent of total federal aid to state and local governments. Not all 16 programs appear in each county because either the county did not receive funding under the program, or county allocations were not available for the state.

#### *Funding Changes by Program and by County*

For some counties, the funding changes recommended under the budget resolution for the selected programs may sum to a greater change than the county as a whole. This is because the federal grant awards distributed to the county as a whole are understated for two reasons. First, some federal grant awards to the state are not identified with a specific geographic location in the state. These unidentified dollars are listed as "undistributed" in the state's summary of counties table.

The second reason is a consequence of reporting federal

grant awards geographically based on the initial recipient. Some federal grant awards to state government agencies are reported in the county in which the state capitol resides even though these dollars are subsequently "passed through" to localities. (As a result, federal grant awards to "capitol counties" are overstated and grants to all other counties in the state are understated.)

#### *Proposed Program Consolidations*

Congress proposed consolidating several existing programs into block grants. The tables reflect the fiscal impact of these proposals by applying the change in funding to the current program structure and are noted as such in the tables.

For example, Job Training Partnership Act (JTPA) programs are proposed to be consolidated into a new job training, adult, and vocational education block grant in FY 1997. The change in funding recommended by Congress based on the new block grant was reported for fiscal years 1997 to 2002 under the existing JTPA program title.

#### *About Fiscal Planning Services, Inc.*

Fiscal Planning Services, Inc. (FPSi) is a private, independent information service and consulting firm which has analyzed and reported on the fiscal impact of federal budget and legislative action since 1981. FPSi provides clients, including all levels of government, national associations, and the private sector, with detailed, state-specific analysis of the federal budget and innovative application software.

FPSi is unique among information services in providing prospective and historical data on federal funds at the state and local level. FPSi maintains the FEDFACTS® database which contains fifteen years of federal funding information for more than 700 federal domestic assistance programs for the fifty states, District of Columbia, Puerto Rico, and U.S. territories. For more information, please call us at 301.652.FPSi (3774), or send us e-mail at this address: [FEDFACTS@fpsi.dgsys.com](mailto:FEDFACTS@fpsi.dgsys.com).

County Summary, Arizona  
 FY 1997 Budget Resolution Compared to  
 Current Law Projections for FYs 1997-2002  
 (in thousands of dollars)

State and County Area	FY 2002 Current Law	FY 2002 Budget Change	FY 1997-2002 Current Law	FY 1997-2002 Budget Change
<b>Arizona</b>				
Apache County	253,555	-36,176	1,318,793	-120,017
Cochise County	82,881	-11,825	431,080	-39,229
Coconino County	125,064	-17,843	650,484	-59,196
Gila County	74,178	-10,583	385,818	-35,111
Graham County	36,504	-5,209	189,864	-17,282
Greenlee County	4,568	-652	23,758	-2,163
La Paz County	30,239	-4,315	157,277	-14,317
Maricopa County	2,415,443	-344,621	12,563,222	-1,143,307
Mohave County	95,740	-13,659	497,967	-45,316
Navajo County	133,548	-19,054	694,610	-63,212
Pima County	856,508	-122,202	4,454,876	-405,416
Pinal County	167,920	-23,958	873,386	-79,484
Santa Cruz County	51,822	-7,393	269,537	-24,527
Yavapai County	110,449	-15,757	574,471	-52,273
Yuma County	128,718	-18,365	669,488	-60,928
State Undistributed	180,088	-25,726	936,633	-85,376
<b>State Total</b>	<b>4,747,225</b>	<b>-677,338</b>	<b>24,891,264</b>	<b>-2,247,154</b>

FY 1997 Budget Resolution Compared to Current Law Projections

(in thousands of dollars)

	1995	1996	1997	1998	1999	2000	2001	1997-2002
<b>Federal Grant Awards Distributed to Navajo County /a</b>								
Current Law	91,397	92,932	99,573	105,630	111,813	118,388	125,658	694,610
Budget Change	-	-	-3,506	-6,063	-8,737	-11,343	-14,509	-63,212

**Selected Programs**

<b>Child Support Enforcement</b>								
Current Law	579	530	546	562	578	594	611	3,520
Budget Change	-	-	14	9	16	36	32	153
<b>Family Support Payments to States /b</b>								
Current Law	7,527	7,849	8,037	8,262	8,543	8,825	9,134	52,246
Budget Change	-	-	-288	-513	-794	-1,076	-1,385	-5,752
<b>Grants to States for Medicaid</b>								
Current Law	35,383	36,261	43,083	47,477	51,987	56,822	62,334	330,208
Budget Change	-	-	-1,331	-2,468	-4,053	-5,820	-8,119	-33,370
<b>Head Start</b>								
Current Law	2,094	1,351	1,392	1,432	1,472	1,513	1,555	8,964
Budget Change	-	-	-41	-81	-121	-162	-204	-858
<b>Highway Planning and Construction</b>								
Current Law	4,997	5,167	5,322	5,476	5,630	5,787	5,949	34,286
Budget Change	-	-	-285	-86	-132	-179	-229	-1,199
<b>Impact Aid</b>								
Current Law	13,829	13,628	14,037	14,444	14,848	15,264	15,691	90,430
Budget Change	-	-	-2,357	-3,465	-3,869	-4,285	-4,712	-23,855
<b>Job Training Partnership Grants to States /c</b>								
Current Law	354	292	301	310	319	328	337	1,942
Budget Change	-	-	8	-1	-10	-19	-28	-88
<b>Low Income Home Energy Assistance</b>								
Current Law	185	111	114	117	120	123	126	730
Budget Change	-	-	-3	-6	-9	-12	-15	-64

FY 1997 Budget Resolution Compared to Current Law Projections

(in thousands of dollars)

	1995	1996	1997	1998	1999	2000	2001	2002	1997-2002
<b>National School Lunch Program</b>									
Current Law	3,682	3,880	4,124	4,392	4,664	4,930	5,216	5,508	28,834
Budget Change	-	-	-23	-209	-314	-319	-513	-570	-1,948
<b>Rehabilitation Services -- Vocational Rehabilitation Grants</b>									
Current Law	250	258	266	272	281	289	297	306	1,711
Budget Change	-	-	-8	-1	9	18	28	35	81
<b>Special Education -- Grants to States</b>									
Current Law	632	632	651	670	689	708	728	749	4,195
Budget Change	-	-	57	-4	-23	-42	-62	-83	-157
<b>Special Supplemental Nutrition Program for Women, Infants, and Children</b>									
Current Law	1,360	1,458	1,502	1,546	1,589	1,633	1,679	1,728	9,677
Budget Change	-	-	-44	-59	-43	6	-7	28	-119
<b>Title I Grants to Local Educational Agencies</b>									
Current Law	5,322	5,339	5,499	5,658	5,816	5,979	6,146	6,324	35,422
Budget Change	-	-	185	-315	-473	-636	-803	-981	-3,023

a/ Does not include funds allocated to state governments which are subsequently 'passed through' to local governments; also does not include undistributed funds.

b/ In FY 1997, Congress proposes to consolidate the Family Support Payments to States program and the JOBS program into a Temporary Family Assistance Block Grant. Amounts in FYs 1997 through 2002 reflect funding under the proposed structure.

c/ In FY 1997, Congress proposes to consolidate the Title II JTPA programs into a Workforce Development Block Grant. Amounts in FYs 1997 through 2002 reflect funding under the proposed structure.